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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO FOR ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

E.O. 12958: N/A
TAGS: [IS](#) [KMDR](#) [MEDIA](#) [REACTION](#) [REPORT](#)
SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

1. Iran
2. Mideast

Key stories in the media:

All media reported that on Wednesday, Secretary of State Condoleezza Rice announced that the US is willing to enter multilateral direct talks with Iran, if Tehran agrees to halt its nuclear enrichment activity. Israel Radio reported that Iran announced that it does not accept the United States' condition. Maariv, The Jerusalem Post, and Israel Radio reported that President Bush informed PM Ehud Olmert of his impending move during Olmert's visit to Washington. The Jerusalem Post and Israel Radio said that President Bush called Olmert on Wednesday to bring him up to date, and that Secretary Rice called FM Tzipi Livni before making her announcement. Israel Radio quoted sources in Jerusalem as saying that Secretary Rice's announcement shortens the UN Security Council's response time and increases the chances of international pressure against Iran, which is a very positive development.

Yediot and Ha'aretz reported that PM Olmert is opposed to the implementation of the convergence plan in gradual steps and prefers that it be carried out in one action. Olmert conveyed this in an interview with Yediot. Ha'aretz wrote that the rate at which the convergence plan will be carried out is a matter that the government has not yet discussed, but is at the center of planning for both Olmert and senior ministers, including Vice PM Shimon Peres. Ha'aretz said that the issue of the rate of convergence is not likely to be finalized prior to a meeting between PA Chairman [President] Mahmoud Abbas and Olmert. Olmert was quoted as saying in his interview with Yediot that he is determined to carry out the convergence plan and that he is confident that Israelis will accept it.

Ha'aretz reported that talks between Fatah and the ruling Hamas on a compromise solution over the National Reconciliation Document appear to have faltered. The newspaper wrote that two days before the deadline set by Abbas, it appears that the Chairman himself is not in a hurry to reach a compromise with Hamas. The Jerusalem Post quoted European officials as saying on Wednesday that differences of opinion have emerged in Europe over the "funding mechanism" the European Commission has been asked to develop to transfer funds to the PA. Maariv and The Jerusalem Post cited the official Iranian press agency IRNA that Palestinian PM Ismail Haniyeh called the US an enemy of all Muslims and quoted him as saying that Washington -- under the influence of the Zionist lobby -- was making every effort to bring about the failure of the Hamas-led PA government. Israel Radio reported that Arab League Secretary-General criticized the conditions imposed by

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Western countries for talks with Hamas.

The Jerusalem Post reported that left-wing groups plan to demonstrate in Tel Aviv on Saturday night to urge Israel to talk with the PA government. The newspaper reported that Peace Now does not intend to participate in the rally, as its spokesman Yariv Oppenheimer said that the demonstration should also call on Hamas to recognize Israel.

Maariv reported on a proposal put forward by Lebanese PM Fuad Siniora: The UN would mark the Lebanese-Syrian border, determining with precision which country the Sheba Farms belong to; in a second stage, Syria would publicly announce that it renounces sovereignty over the Sheba Farms, as they are on Lebanese territory; lastly, the Lebanese army would deploy along the Lebanese-Israeli border. Maariv reported that senior Israeli defense officials, who had feared that the Golan issue would eventually be raised as well, have started showing interest in the proposal.

Israel Radio reported that two IDF soldiers were wounded in Jenin when a charge exploded next to their vehicle. The radio reported that the IDF arrested 12 Palestinians in the West Bank. Leading media quoted Palestinian sources as saying that on Wednesday, the IDF failed to kill a Palestinian militant in an air strike in the Gaza Strip.

IDF Chief of Staff Lt. Gen. Dan Halutz was quoted as saying in an interview with The Jerusalem Post that ongoing cuts such as this week's 510-million shekel (around USD 110 million) reduction in the defense budget will turn the IDF into a mediocre military. Halutz added that this is something that Israel cannot afford.

Ha'aretz reported that the Hebrew University has decided to postpone a program approved last month to grant undergraduate degrees to Shin Bet personnel. The newspaper said that in practice, the program would be canceled.

Yediot reported that President Bush and former Israeli cabinet minister Natan Sharansky have been corresponding for a year on various topics. The newspaper reported that in his latest letter to Sharansky, the President wrote: "I am proud to be your twin soul."

Ha'aretz reported that the largest labor union in the Canadian province of Ontario -- the Ontario division of the Canadian Union of Public Employees (CUPE), which has 450,000 members nationwide -- has voted unanimously to boycott Israel "until it recognizes the Palestinians' right of self-determination" and accepts all UN resolutions including the right of return. The newspaper wrote that the Anti-Defamation League harshly condemned the decision, calling it "deplorable and offensive."

Maariv reported that the IDF has just completed its research on the Beaufort battle in the early days of the Lebanon War (June 1982). The study determines that then-Defense Minister Ariel Sharon did not lie to then-PM Menachem Begin when he told him that no Israeli soldiers were killed in the battle. According to the survey, Sharon was actually not told of the deaths. The issue was a strong point of contention during the war.

Ha'aretz (English Ed.) reported that in Jerusalem on Wednesday, Daniel Pipes, director of the Middle East Forum and a frequent columnist known for his neoconservative views, received the "Guardian of Zion" award from Bar-Ilan University. According to a statement issued by the University, Pipes "is one of the first analysts to understand the threat of radical Islam."

Maariv reported that American software giant Oracle is expected to buy the Israeli startup Demantra in a few days for USD 45 million.

Ha'aretz (English Ed.) reported that this week, visiting American actor and equestrian William Shatner announced a USD 10-million campaign in partnership with the Jewish National Fund to support therapeutic riding programs in Israel.

Yediot reported that Scottish authorities suspect Israeli chemist Hanan Rabin of smuggling millions of dollars worth of date-rape drugs from Scotland to the US.

I. Iran:

Summary:

Diplomatic correspondent Ben Caspit wrote on page one of popular, pluralist Maariv: "'Iran will not have a nuclear bomb, period,' Bush promised Olmert, and -- on Wednesday -- also the world. What remains for him to do now is to keep his word."

Washington correspondent Shmuel Rosner wrote in independent, left-leaning Ha'aretz: "Rice's announcement brings decision time closer."

Washington correspondent Orly Azolai wrote in mass-circulation, pluralist Yediot Aharonot: "On Wednesday, Iran, which was defined by Bush as a major country in the 'axis of evil,' became a worthy partner for negotiations. And after all, that is what Ahmadinejad has wanted since coming to power."

The conservative, independent Jerusalem Post editorialized: "[Preventing Iran from acquiring nuclear weapons] is more achievable than it may seem, even without resorting to military force, but only if the United States and Europe show unity and determination on a level that arguably has not been seen since World War II."

Washington correspondent Nathan Guttman wrote in The Jerusalem Post: "If direct negotiations only help Tehran gain more time to achieve its nuclear aspirations, Israel will be there to remind the US that the clock is ticking."

Senior columnist and chief defense commentator Zeev Schiff wrote in Ha'aretz: "Headlines about presidential promises to defend Israel in the case of an attack should not suffice."

Block Quotes:

I. "Lip Service"

Diplomatic correspondent Ben Caspit wrote on page one of popular, pluralist Maariv (6/1): "On Wednesday, the Americans, for a change, did the right thing.... [But] the distance between the American announcement of Wednesday to negotiating with Iran tomorrow, is still very great. The chances that such negotiations will take place, and if they do that they will progress, and if they progress will bear fruit and stop Iran's nuclear efforts, are close to nil. And then, only then, the Americans can prove to the world that they tried every possible way and turned over every stone with their diplomatic efforts. And then, only then, can we move on.... [Whatever happens], Iran truly wants the bomb. When the negotiations fail, the Americans will be able to say they tried everything.... 'Iran will not have a nuclear bomb, period,' Bush promised Olmert, and -- on Wednesday -- also the world. What remains for him to do now is to keep his word."

II. "Returning the Ball to the Iranian Court"

Washington correspondent Shmuel Rosner wrote in independent, left-leaning Ha'aretz (6/1): "[Secretary of State Condoleezza] Rice's move on Wednesday is first and foremost meant to return the ball to two courts from which it was kicked out ... not long ago -- the Iranian and the Russian ones. The US is prepared and even willing to talk. Iranian willingness will now be tested with the proper measuring tape. Will Iran agree to freeze its program so that it can meet the Americans? The Russians will be tested, too: Should Iran again refuse, which pretext would they find this time to prevent a decision on sanctions at the Security Council? The possible positive outcome of this move is perceptible: Either Iran rejects the sanctions and Russia accepts them, or Iran accepts them, and the sanctions will produce an agreement over a deal whose conclusion will be the end of the crisis.... Some [US administration officials] also see an accumulating negative result: The Iranians will reject, the Russians will dodge, and the Americans will be humiliated. In any case, Rice's announcement brings decision time closer."

III. "Ahmadinejad Got What He Wanted"

Washington correspondent Orly Azolai wrote in mass-circulation, pluralist Yediot Aharonot (6/1): "Since his election, [Iranian President Mahmoud Ahmadinejad]

has wished to achieve two goals: to cause the US to speak to him directly and to obtain US recognition of the fact that Iran is entitled to manufacture nuclear energy for civilian purposes. On Wednesday, the US granted him his wish.... Now Ahmadinejad can raise the stakes and pose his own conditions for entering into negotiations. After the US recognized Iran's right to nuclear energy, he has become the leader -- not the one who is being led. For 27 years the US boycotted Iran, even when it was headed by a moderate president like Khatami. On Wednesday, Washington extended a hand to Tehran, while it is headed by an unpredictable leader, who both threatened to wipe Israel off the map and argued passionately that the Holocaust is a Zionist invention. It is not clear if Ahmadinejad is so sophisticated that he created his mad strategy in order to make the US fold -- or whether it happened by accident. Either way, victory is his. On Wednesday, Iran, which was defined by Bush as a major country in the 'axis of evil,' became a worthy partner for negotiations. And after all, that is what Ahmadinejad has wanted since coming to power."

IV. "Washington's Iran Gambit"

The conservative, independent Jerusalem Post editorialized (6/1): "The US offer to talk to Tehran is a risky gambit since it could, particularly if talks actually take place, relieve pressure on the regime and demoralize the growing Iranian opposition. Such an offer would only be worth this risk if it succeeded in bringing Russia and China aboard the US approach.... The international community must keep in mind that the goal is not just to express condemnation, but to force the Iranian regime to capitulate on what has become -- despite frequent denials -- Tehran's obvious objectives: obtaining the capability to build a nuclear arsenal. This goal is more achievable than it may seem, even without resorting to military force, but only if the United States and Europe show unity and determination on a level that arguably has not been seen since World War II."

1V. "Direct Dialing"

Washington correspondent Nathan Guttman wrote in The Jerusalem Post (6/1): "Israel, which is seen as the country that has the most to lose from an Iranian nuclear bomb, is staying out of the debate going on in Washington. For Israel, what is important is the final result. If direct talks were to stop the Iranian nuclear project, Israel would welcome them. But if direct negotiations only help Tehran gain more time to achieve its nuclear aspirations, Israel will be there to remind the US that the clock is ticking."

VI. "To Fulfill the American Promise"

Senior columnist and chief defense commentator Zeev Schiff wrote in Ha'aretz (6/1): "Headlines about presidential promises to defend Israel in the case of an attack should not suffice. Israel must strive to reach an agreement with Washington about how to increase its deterrent capabilities, including against long-range threats.... From the offensive perspective, it seems Israel should strengthen its abilities in the realm of long-distance cruise missiles.... From the defense aspect there are also ways to strengthen Israel. The country wants to step up its ability to develop unmanned long range weapons systems and is weighing additions to its Arrow anti-missile defense system. The country is also examining its ability to defend itself from the kinds of rockets used by the terror organizations and Hizbullah. Israel must receive aid in all of these realms, because if it does not, all it will have is pretty headlines."

12. Mideast:

Summary:

Senior op-ed writer Akiva Eldar commented in Ha'aretz: "[US diplomats] recommended to American reporters that they not get carried away by the 'convergence plan joy' of their Israeli colleagues."

Block Quotes:

"The Americans Knew, Too"

Senior op-ed writer Akiva Eldar commented in Ha'aretz

(6/1): "We can assume that the friends of [Internal Security Minister and former Shin Bet head Avi] Dichter in the Shin Bet reported to Olmert that the Palestinian President made sure to let the Americans in on the secret [of his ultimatum initiative]. Twenty-four

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hours before he presented the Hamas leaders with the ultimatum regarding the national referendum, Abu Mazen met with the US Consul-General in Jerusalem, Jack Walles. He informed the American diplomat, who probably reported to Washington immediately. His colleagues at the State Department recommended to American reporters that they not get carried away by the 'convergence plan joy' of their Israeli colleagues and by their enthusiasm at the cheers in Congress. They knew that the 'there is no partner' label that Sharon worked so hard to pin on Abu Mazen is in danger."

JONES